

AMENDED IN ASSEMBLY JULY 21, 1998

AMENDED IN ASSEMBLY JUNE 22, 1998

AMENDED IN SENATE APRIL 14, 1998

SENATE BILL

No. 1744

Introduced by Senator Johnston
(Principal coauthor: Assembly Member Knox)

February 18, 1998

An act to amend Sections 11010, 11011, and 15037 of, and to repeal Section 15076.7 of, the Unemployment Insurance Code, relating to job training.

LEGISLATIVE COUNSEL'S DIGEST

SB 1744, as amended, Johnston. Job training.

Existing law establishes the State Job Training Coordinating Council.

Under existing law, the Secretary of the Health and Welfare Agency, the Secretary of the Trade and Commerce Agency, the Chancellor of the California Community Colleges, and the Superintendent of Public Instruction are required to develop and maintain an integrated state work force development plan.

This bill would *instead* require ~~the plan to be developed~~ *those persons*, in collaboration with state and regional, as well as local, ~~stakeholders~~ *work force education and training providers, private industry councils, and business and labor representatives, to develop a state work force development plan to create an integrated, high quality work force development system out of the current array of job training*

and vocational education programs. The bill would revise provisions related to the plan, including a requirement that it be updated ~~biennially~~ every five years and include specified matters, and a requirement that a final recommendation be transmitted to the Governor and the Legislature by ~~July 31~~ October 1, 1999. The bill would make related changes.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 11010 of the Unemployment
2 Insurance Code is amended to read:

3 11010. (a) The Legislature finds and declares the
4 following:

5 (1) California must have a world class system of
6 education and training linked to economic development
7 in order to meet the demands of global economic
8 competition.

9 (2) The California Economic Strategy Panel
10 determined that California's economy is undergoing a
11 dramatic transformation whereby California is in an
12 established leadership position with respect to a number
13 of emerging industries representing a new economy of
14 the 21st century, and that education and work force
15 preparation are critical to the growth and
16 competitiveness of California's economy.

17 (3) California's work force preparation programs,
18 including job training, job placement, and education,
19 spend over six billion dollars (\$6,000,000,000) annually
20 serving 6,700,000 students, displaced and unemployed
21 workers, welfare recipients, and incumbent workers.

22 (4) At least 22 state programs and many federal and
23 local programs provide these work force preparation
24 services.

25 (5) With the increasing demand to educate and train
26 the youth and adults in this state with the skills necessary
27 to obtain and retain employment especially in the
28 industries essential for its economic growth, California
29 needs to maximize the effective use of resources for its

1 work force preparation programs to create a more
2 coherent, comprehensive, accountable, and
3 customer-focused system.

4 (6) An effective work force preparation system is
5 necessary for California to meet the time limit and work
6 force preparation requirements of the Personal
7 Responsibility and Work Opportunity Reconciliation Act
8 of 1996 (P.L. 104-193).

9 (7) In order to accomplish this, the public and private
10 sector entities responsible for economic development,
11 education, and work force preparation must collaborate
12 at the state and local levels.

13 (8) This collaboration must be compatible with the
14 existing missions and governance structures of all entities
15 involved.

16 (9) The major objective of this act is the integration of
17 existing local and regional partnerships that support
18 initiatives in education reform, work force preparation,
19 and economic development.

20 (10) In order to promote this collaboration, the
21 Secretary of the Health and Welfare Agency, the
22 Secretary of the Trade and Commerce Agency, the
23 Chancellor of the California Community Colleges, and
24 the Superintendent of Public Instruction shall, in
25 consultation with state, regional, and local stakeholders,
26 and customers, collaborate in the development of a state
27 work force development system and shall encourage and
28 support local partners to develop regional work force
29 collaboratives.

30 (b) The Legislature hereby enacts the Regional
31 Workforce Preparation and Economic Development Act
32 to demonstrate how, through the collaboration of state
33 and local resources, education, work force preparation
34 and economic development services can be delivered to
35 clients in a more responsive, integrated, and effective
36 manner.

37 SEC. 2. Section 11011 of the Unemployment
38 Insurance Code is amended to read:

39 11011. (a) On or before April 1, 1998, the Secretary of
40 the Health and Welfare Agency, the Secretary of the

1 Trade and Commerce Agency, the Chancellor of the
2 California Community Colleges with the consent of the
3 Board of Governors, and the Superintendent of Public
4 Instruction, with the consent of the State Board of
5 Education, shall enter into a memorandum of
6 understanding to develop and maintain a plan including
7 a schedule to do the following:

8 ~~(1) (A) Develop an integrated state work force~~
9 ~~development plan that shall serve as a framework for the~~

10 *(1) (A) Develop a state work force development plan*
11 *to create an integrated, high quality work force*
12 *development system out of the current array of job*
13 *training and vocational education programs in order to*
14 *prepare emerging, transitional, and current workers to*
15 *be employed in the state's global economy. The plan shall*
16 *serve as a framework for the development of public*
17 *policy, fiscal investment, and operation of all state work*
18 *force education and training programs.*

19 (B) The plan, which shall be updated ~~biennially~~ *every*
20 *five years*, shall, at a minimum, include all of the
21 following:

22 (i) Long term goals for the state's work force
23 development system.

24 (ii) Short term objectives and benchmarks that the
25 state will use to measure its progress towards meeting the
26 state's goals for the state work force development system
27 and its programs.

28 *(iii) Identification of the role each institution and*
29 *program plays in the statewide system and mechanism of*
30 *articulation among programs.*

31 *(iv) A strategy for assessing unmet work force*
32 *preparation needs and areas of duplicative services and*
33 *a description of measures to assure coordination,*
34 *eliminate duplication, and maximize or redirect funding*
35 *to more effectively deliver services to meet the state's*
36 *work force development needs.*

37 ~~(iv)~~

38 (v) A strategy for consolidating multiple planning
39 processes.

40 ~~(v)~~

(vi) A strategy with benchmarks for implementing a system of universal access to work force development services ensuring access to comprehensive services in all rural and urban areas of the state.

(C) The plan shall be developed through a collaborative process that shall include review and input by state, regional, and local work force education and training providers, private industry councils, and representatives of business and labor.

(D) A report with final recommendations *on how state, local, and regional agencies and programs can deliver seamless, high quality services to clients* shall be transmitted to the Governor and the Legislature by ~~July~~ *October 1, 1999*.

(2) Initiate a competitive process to select a minimum of five regional education, work force preparation, and economic development collaboratives, known as regional collaboratives, that will receive financial and program incentives to develop local partnerships to maximize the delivery of employment, training, and education services. These partnerships shall collaborate in the development of shared systems to improve their efficiency and effectiveness in delivering work force development services.

(3) Identify new and redirected resources, federal and state waivers, and legislative changes necessary to enhance the effectiveness of regional collaboratives.

(b) Regional collaboratives shall have representation from the following public and private entities:

(1) The Employment Development Department.

(2) The local Job Training Partnership Act administrative entity.

(3) Community college districts.

(4) Local school districts, including those that provide adult education and regional occupational centers or programs.

(5) Regional occupational centers serving adults.

(6) Entities administering local public assistance welfare-to-work programs.

(7) Local economic development organizations.

1 (8) The private sector, including both business and
2 labor.

3 In addition, the competitive selection process shall
4 emphasize the expectation that these regional
5 collaboratives will have broad representation of all
6 public, private, and nonprofit agencies that have an
7 interest in education, economic development,
8 welfare-to-work, and work force development.

9 (c) Regional collaboratives shall be selected and shall
10 receive financial and program incentives effective July 1,
11 1998.

12 (d) From existing state and federal funds available for
13 expenditure for the purposes of this section, the state
14 partners shall identify five million dollars (\$5,000,000) per
15 year for each of three years for distribution to a minimum
16 of five regional collaboratives, in order to create systemic
17 change that results in increased collaboration and service
18 delivery within each region.

19 SEC. 3. Section 15037 of the Unemployment
20 Insurance Code is amended to read:

21 15037. The state council shall:

22 (a) Review and comment on the state work force
23 development plan developed pursuant to Section 11011.

24 (b) Develop and recommend to the Governor and the
25 Legislature a coordination and special services plan,
26 which includes a dislocated workers assistance plan, in
27 accordance with Chapter 4.5 (commencing with Section
28 10510) of Part 1 of Division 3.

29 (c) Recommend to the Governor local service
30 delivery areas. To the extent permitted by federal law,
31 designation of service delivery areas shall reflect the
32 intent of the Legislature to integrate and coordinate
33 employment and training services, public assistance
34 programs, and other educational and training efforts as
35 may exist which are designed to assist individuals in
36 preparing for participation in the labor force.

37 (d) To the extent permitted by federal law, establish
38 policies which shall be followed by the department in
39 performing all of the following functions:

40 (1) Approval of local service delivery area plans.



1 (2) Establishment of standards, criteria, and reporting
2 requirements established by the department pursuant to
3 this division with respect to local service delivery area
4 plans.

5 (3) Allocation of funds for local service delivery area
6 plans, including funds for plans submitted under Chapter
7 7.5 (commencing with Section 15075).

8 (e) Plan, review and approve the allocation,
9 recapture, and reallocation of federal funds received by
10 the state pursuant to the federal Job Training Partnership
11 Act. Funds received by the state in accordance with
12 Sections 202(c)(1)(C) and 262 (c)(1)(C) of that act shall
13 be allocated to the Superintendent of Public Instruction
14 as necessary to meet the need determined by the
15 superintendent pursuant to Section 33117.5 of the
16 Education Code. The state council shall be deemed to
17 have approved the disbursement of funds when the
18 Governor approves a decision of the state council
19 specifying a budget for an authorized program or activity
20 and designating the department or agency responsible
21 for the expenditure of the budgeted funds. An agreement
22 shall be entered into between the Employment
23 Development Department and the State Department of
24 Education and shall provide that Job Training
25 Partnership Act funds provided for the purposes of
26 Section 33117.5 of the Education Code shall be utilized for
27 payment to local educational agencies.

28 (f) Review and approve the annual labor market and
29 occupational supply and demand information plan
30 developed pursuant to Section 10532.

31 (g) Consider and advise the director on all matters
32 connected with the administration of this code as
33 submitted to it by the director, and may upon its own
34 initiative recommend changes in administration as it
35 deems necessary.

36 (h) Review and comment to the Governor and the
37 Legislature on the annual report prepared in accordance
38 with Section 15064.

1 (i) Serve as the body responsible for making
2 recommendations to the Governor when the director
3 proposes to withdraw funding pursuant to Section 15028.
4 SEC. 4. Section 15076.7 of the Unemployment
5 Insurance Code is repealed.

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